

AN ACT
MODIFYING DISCIPLINARY PROVISIONS APPLICABLE TO REAL ESTATE
BROKERS AND SALESPERSONS.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

Section 1. Section 543B.15, subsection 5, Code 2009, is amended to read as follows:

5. A person who makes a false statement of material fact on an application for a real estate broker's or salesperson's license, or who causes to be submitted, or has been a party to preparing or submitting any false application for such license, may be denied a license by the commission on the grounds of the false statement or submission. ~~A licensee found to have made such a statement or who caused to be submitted, or was a party to preparing or submitting any false application for a real estate broker's or salesperson's license, may have the license suspended or revoked by the commission on the grounds of the false statement or submission.~~

Sec. 2. Section 543B.15, subsection 6, Code 2009, is amended by striking the subsection.

Sec. 3. Section 543B.15, subsection 7, Code 2009, is amended to read as follows:

7. The commission, when considering the denial ~~or~~ ~~revocation~~ of a license pursuant to [this section](#), shall consider the nature of the offense; any aggravating or extenuating circumstances which are documented; the time lapsed since the revocation, conduct, or conviction; the rehabilitation, treatment, or restitution performed by the applicant ~~or~~ ~~licensee~~; and any other factors the commission deems relevant. Character references may be required but shall not be obtained from licensed real estate brokers or salespersons.

Sec. 4. Section 543B.29, subsection 1, Code 2009, is amended by adding the following new paragraph:

NEW PARAGRAPH. *Ob.* Having made a false statement of material fact on an application for a real estate broker's or salesperson's license, or having caused to be submitted, or having been a party to preparing or submitting any false application for such license.

Sec. 5. Section 543B.29, subsection 1, paragraph e, Code 2009, is amended to read as follows:

e. Conviction of an offense included in [section 543B.15, subsection 3](#). For purposes of [this section](#), "conviction" means a conviction for an indictable offense and includes the court's acceptance of a guilty plea, a deferred judgment from the time of entry of the deferred judgment until the time the defendant is discharged by the court without entry of judgment, or other finding of guilt by a court of competent jurisdiction. A copy of the record of conviction, guilty plea, deferred judgment, or other finding of guilt is conclusive evidence.

(1) A licensed real estate broker or salesperson shall notify the commission of the licensee's conviction of an offense included in section 543B.15, subsection 3, paragraph "a", within ten days of the conviction. Notification of a conviction for an offense which is classified as a felony shall result in the immediate suspension of a license pending the outcome of a hearing conducted pursuant to section 543B.35 to determine the nature of the disciplinary action, if any, the commission will impose on the licensee. The hearing shall be conducted within thirty days of the licensee's notification to the commission, and the commission's decision shall be provided to the licensee no later than thirty days following the hearing. The failure of the licensee to notify the commission of the conviction within ten days of the date of the conviction is sufficient grounds for revocation of the license.

(2) The commission, when considering the revocation or suspension of a license pursuant to paragraph "e", shall consider the nature of the offense; any aggravating or extenuating circumstances which are documented; the time lapsed since the conduct or conviction; the rehabilitation, treatment, or restitution performed by the licensee; and any other factors the commission deems relevant. Character references may be required but shall not be obtained from licensed real estate brokers or salespersons.

JOHN P. KIBBIE
President of the Senate

PATRICK J. MURPHY
Speaker of the House

I hereby certify that this bill originated in the Senate and
is known as Senate File 2326, Eighty-third General Assembly.

MICHAEL E. MARSHALL
Secretary of the Senate

Approved _____, 2010

CHESTER J. CULVER
Governor